UNION PACIFIC'S TEN MILLIONS

ATTEMPT TO FORBID PASSING LOAN ON TO SOUTHERN PACIFIC.

New Brief Filed in the Talbot J. Taylor Suit—Southern Pacific's Salt Lake Cut-Off Is Expensive, but Officials Declare That Progress Is Satisfactory.

Another brief has been filed in the United States Circuit Court of Appeals at Cincinnati in the case of the minority stockholders of the Southern Pacific Railroad vs. the Union Pacific Railroad Company. The brief prays for a reversal of Judge Lurton's decision rendered several weeks ago and asks that the officers of the Southern Pacific Railroad be enjoined from receiving any notes offered by the Union Pacific or in its behalf, and that a special master be appointed to preside at the coming election of the Southern Pacific Company. The brief is filed on behalf of Talbot J. Taylor and James J. Taylor. The case will be argued among the first at the October sitting of the court.

At the office of Talbot J. Taylor & Co. yesterday nobody had anything to say about the case. In another quarter, it was said, in explanation of this action, that the passing on of the notes to the Southern Pacific was considered an attempt to pile up further indebtedness on the latter road, which might eventually end in the loss by it of the Central Pacific branch.

The notes referred to are those for $10,000,000 negotiated by the Union Pacific some days ago. Wall Street has been speculating lately as to the uses to which the $10,000,000 loan will be put. The official statement given out regaring the transaction was merely that it had been closed by the Union Pacific Company "for the purpose of financing the requirements of affiliated companies." This official statement added: "The Union Pacific has an excess of funds from its own earnings, but has deemed it well under prevailing conditions to avail itself of its credit for the benefit of its affiliated lines, the surplus earnings of which, it is expected, will provide for the bulk of these advances."

The Union Pacific-Southern Pacific management has now been at work for many months upon the building of a great Southern Pacific cut-off across Salt Lake. Reports have reached this city of great difficulties encountered in carrying through this undertaking, because of the failure to find a stable bottom to the lake. A great deal of money has been already spent in the work, and the suggestion was made yesterday that one reason for the negotiation of the recent Union Pacific loan might be the heavy expense attendant upon the cut-off construction.

Despite the reports from the West, local representatives of the Union Pacific-Southern Pacific system, who were seen yesterday, while unwilling to go into particulars, stated that the cut-off work has been so far satisfactory. They said it has not presented especial engineering difficulties and attributed the reports from the West to disappointment that Salt Lake City was not benefiting by the new Southern Pacific construction.

They were not willing to give details as to the uses to which the money raised by the $10,000,000 loan will be put. Wall Street, however, thinks it has good reason for the belief that the greater part, if not all of the money, will be expended in improving the Southern Pacific system.

CORN DOING WELL,

But Generally Small—Unfavorable Report on Spring Wheat.

WASHINGTON, July 21.—The weekly summary of crop conditions issued to-day by the Weather Bureau says:

"While the temperature in the central valleys, Lake region and Atlantic coast districts has averaged considerably below normal, no unfavorable effects from cool weather are apparent from the reports, except in portions of the Middle and South Atlantic States, where growth was checked to some extent. The need of rain continues in portions of the lower Ohio and central Mississippi valleys, North Dakota, northern Minnesota and western Texas, and is beginning to be felt in the central Gulf States, Oklahoma, southwestern Kansas and portions of the Carolinas.

"Corn has made favorable advancement in all districts, but in the principal corn States it is variable as to size and condition, being generally small, especially in the central and eastern districts of the corn belt. As a rule, the crop is in a good state of cultivation, except in the upper Ohio Valley and Middle Atlantic States. In portions of Indiana, Missouri, southwestern Kansas, Arkansas, Oklahoma and Texas corn is in need of rain to a greater or less extent.

"The winter wheat harvest is practically completed, except in a few of the more northerly States. Weather conditions have been favorable for threshing, which work is in general progress, the yields continuing light.

"The reports respecting spring wheat are not favorable. The late sown in the Red River Valley in Minnesota is believed to be beyond recovery, while heavy rains have kept the lowlands in the southern portion of the State flooded and have caused lodging in the uplands. Rains in southeast and extreme northeast parts of North Dakota have improved the crop, and in South Dakota spring wheat is filling well, except in the southeastern part and in Iowa, where it is unfavorably affected by rust."

First Bale of 1903 Cotton.

The first bale of cotton of the 1903 crop arrived here yesterday morning and was sold at noon on the sidewalk in front of the Cotton Exchange for 26½ cents a pound. George W. Cummings made the first bid of 15 cents and the last bid, which secured the cotton.

The cotton was raised in Zapata county, Tex., and was shipped from Houston, Tex., to Latham, Alexander & Co., who put it up for sale. The cotton was said by the experts to be of unusually high grade. It was received here considerably later than the first bale of the 1902 crop, which was sold in front of the Exchange on July 2, 1902.

Assistant to Lehigh's President.

President E. B. Thomas of the Lehigh Valley Railroad has appointed J. W. Platten assistant to the president, in charge of the financial traffic and purchasing departments. Mr. Platten's headquarters will be in Philadelphia.

Business Troubles.

Judge Giegerich of the Supreme Court has appointed Matthew J. Molihan receiver of the Glen Sirie Workers, which has an office at 156 Fifth avenue, on the application of E. Wilson, who obtained a judgment against the concern on Feb. 11 for $114, to wind up its affairs, and the bond of the receiver was fixed at $5,000. It was stated that the corporation has money, lands and options on lands in counties outside of New York city, which it refuses to devote to the payment of the judgment.

Peter Wiederer, manufacturer of mirrors, formerly at 521 Broadway, who filed a petition in bankruptcy on Feb. 28, with liabilities $102,673, has settled at 7½ cents on the dollar.

FINANCIAL NOTES.

Advices received in Wall Street yesterday from San Francisco quoted a friend of Charles M. Hays, vice-president and general manager of the Grand Trunk Railway system, as announcing that Mr. Hays is to be the president of the Grand Trunk Pacific Railway Company.

Despatches received in Wall Street yesterday from St. Louis announced that A. Robertson, superintendent of the Middle Division of the Wabash, would become manager of the Western Maryland and the West Virginia Central roads on Aug. 1. These two roads are links in the line which the Wabash will extend to Baltimore.

Announcement is made that J. W. Platten, Erie's treasurer, has been appointed assistant to the president of the Lehigh Valley Railroad Company, with office at 228 South Third street, Philadelphia. Mr. Platten will have charge of the financial, accounting and purchasing departments of the company.

GOSSIP OF WALL STREET.

On the market's initial weakness yesterday there was heavy buying of railroad stocks for both short and long account, proceeding in either case with a singular disregard for the extraordinary selling of Steel and the further decline of Rock Island. The confusion of buying and selling orders was remarkable. It was apparently a studied effect. The suspicion grew as the session progressed that Steel and Rock Island and one or two other stocks were depressed to facilitate short covering on a large scale. The Waldorf crowd and the New street clique took a lot of stocks during the day, the Waldorf crowd bidding for those it bought, and the New street clique doing its buying more quietly. Field supported Steel, as also did Housman. Field was a heavy buyer around the room, but was thought to be selling through other brokers. Harris, Gates & Co. were the most aggressive sellers in general, but there were some who suspected that this house really bought on balance, doing its buying through other houses and its selling openly.

A good many brokers are advising such of their clients as can afford to ignore fluctuations to buy high grade stocks like Northwestern, Consolidated Gas, Illinois Central, St. Paul and Pennsylvania for the "long pull." The intending purchaser is warned however, that he must be prepared to see prices go lower, since nobody can hope to "call" the extreme bottom. Some brokers have observed quiet buying of this character and expect it to increase on any further decline.

Steel common contributed about one-sixth of the total transactions in yesterday's session, and those who had been insisting that the stock's decline must culminate in a heavy volume of trading on a new low level ventured the opinion last night that a turn must be about due. Harris, Gates & Co. were the heaviest sellers of the stock, putting out some 8,000 shares of the preferred in the first hour. Their selling of both classes was estimated at as much as 20,000 shares. They did this selling openly, and the point was much debated whether it was good selling or not. By some it was argued that genuine liquidation on a larger scale would most probably be done through a house of bearish repute in order to excite opposition. Heavy selling orders were executed by houses with Pittsburg connections. Traders participated actively in the selling. On the decline a very large short interest was covered. It was predicted at midday that a further break would be seen in the late afternoon, 22 being the price named for the common stock. It sold at 22 in the last half hour. Scattered liquidation so increased the floating supply that the shorts found it very easy to cover.

Although 24 was the lowest official quotation for Steel common in the panic of May 9, 1901, the stock actually sold as low as 19. For the preferred 69 was the extreme low panic price.

The selling of Rock Island common was not so urgent as it had been, but still was persistent enough to force the price to a new low record at 24. The name of Harris, Gates & Co. was given up on some of the buying, the impression arising that a large short interest was being covered through that house. Jacob Field was a large buyer, taking perhaps 10,000 shares on the decline, but a large proportion of the stock he bought came out again through other brokers. The general character of yesterday's buying in Rock Island, however, was regarded as the best that had yet been seen on this decline. It is reported that a line of between 30,000 and 35,000 shares has been liquidated for the account of a St. Louis interest associated with the old St. Louis and San Francisco crowd. That would explain the recent liquidation.

Traders sold Erie on the theory that if the dividend were increased as expected the stock would be sold for profits, and that if the dividend were not raised it would be sold anyway. Announcement of the increase of the first preferred dividend to the full 4 per cent. rate was not made until after the close of the market, and will have its speculative effect this morning.

Louisville and Nashville exhibited marked weakness yesterday, closing at the extreme low price of 105.

Harris, Gates & Co. sold United States Realty.

It is believed that the weakness recently displayed by such stocks as Amalgamated Copper, Brooklyn Rapid Transit, People's Gas and Rock Island was significant of nothing more than the liquidation of strained bull accounts, the elimination of which is a source of satisfaction.

"One reason why the public refuses stocks at these bargain prices," a broker said, "is that it has been loaded with them at much higher prices. Last night at dinner I sat with three friends, outsiders you would call them, who were very bullish on the market and on a few stocks particularly. I suggested that they let me buy some for them, but each one said he was already over-extended in other things. The public is carrying more stocks outright than it ever carried before, and since it increased its holdings in the bull market it got its stock at higher prices than these and is, therefore, in no mood to buy more on any terms."

Brokers say margins on Steel shares are kept up more willingly than on any other stock.

An unusual number of brand new steel certificates has lately been delivered around the Street.

The new Rock Island 4 per cent. bonds are now selling below the older 4 per cents., a phenomenon the only explanation of which is that the collateral underlying one class of bonds is deemed better than that underlying the other. The 4s are secured by the old Rock Island stock, whereas the new 5s are secured by St. Louis and San Francisco stock, that has not been paying dividends.

Content sold Tennessee Coal and Iron stock down.

"I have heard it everywhere to-day," said a talkative room trader, "that the old Western contingent is hammering the life out of the market. Although I have known that crowd to seem to be doing things it wasn't doing at all, I guess there is no doubt that it has been selling a lot of short stocks on this low level, and I merely ask if anybody remembers who it was that bought stocks at the extreme top only eleven months ago, and bulled St. Paul above 190 until the Standard Oil people began openly to deliver out certificates and had loans aggregating about $60,000,000 when the break came in September? Last summer it seemed that there was no top to the market, just as now there seems to be no bottom to it, and the same crowd that was buying it then is selling it now. It's the easiest thing I know of to sell stocks at the bottom."

The borrowing demand for stocks in the loan department yesterday was much diminished, indicating that the short interest had been heavily reduced. The average loaning rate was from 2½ to 3 per cent. Owing to the continued scarcity of New York Central that stock loaned all day at from 1 per cent. to a "flat" rate. The demand was not so large, but the supply of stock was very small. Pennsylvania loaned at 2 per cent., or at fractional concessions from the prevailing rate. This was also due to a scarcity of stock, rather than to anything unusual about the borrowing demand. There was a fairly active inquiry for Amalgamated Copper, Union Pacific and Atchison. The remaining short interest is believed to be something normal. Industrious short covering was one of the most prominent features of yesterday's market.

Court Calendars This Day.

Appellate Division—Supreme Court—Recess. Supreme Court—Special Term, Part I.—Motion calendar called at 10:30 A. M. Part II.—Ex parte matters.

Surrogates' Court—Chambers.—For probate—Wills of James Clews, at 10 A. M.; Amelia Wright, Thomas F. Haynes, Ellen Casey, Eliza O'Brien, Catharine Prior, Walter O. Escluvege, Caroline S. Reid, at 10:30 A. M.; Ellen M. Canty, at 11 A. M.

City Court—Special Term.—Court opens at 10 A. M. Motions.

DRESSER TO GIVE $50,000 BAIL

ARREST ASKED FOR IN SUIT OF MARY R. H. MAYER.

Bankruptcy Proceedings Were On and U. S. Court Had a Say About State Court's Order of Arrest—Dresser's Counsel Says Only a Loan Is Involved.

Another twist was given to the financial troubles of D. Le Roy Dresser yesterday when he was directed by Judge Adams in the United States District Court to furnish a bond of $50,000 within five days as a guarantee that he will not leave the jurisdiction of the court pending the bankruptcy proceedings against him.

The Court notified Mr. Dresser that unless he furnished such a bond it would not issue a stay preventing the Sheriff of this county from executing an order of arrest issued by Justice Truax of the Supreme Court on July 10 in an action brought by Mary R. H. Mayer, who sues Dresser, alleging the conversion of $50,000 worth of Mexican National Railway bonds.

Charles W. Mayer, a lawyer and promoter, appears in the case as attorney for Mrs. Mayer. He said yesterday that the $50,000 worth of bonds were put in Dresser's custody under a trust agreement, despite the terms of which Dresser disposed of them.

Morris J. Hirsch, counsel for Dresser, said that his client would certainly furnish the $50,000 bond required by the Court.

"There was no conversion of any bonds," continued Mr. Hirsch. "Dresser and Mayer were abroad together last winter trying to float the securities of the United States Shipbuilding Company. When they were over there it occurred to Dresser that he had neglected, before going away, to provide for raising $50,000 that would be needed by his own silk firm. He mentioned the fact, and Mayer lent him the fifty $1,000 railroad bonds to use as he liked and to raise money on for his silk business. There was no trust arrangement and there could have been no conversion. Mayer is merely one of the creditors, and that $50,000 is one of the debts Dresser couldn't pay when the crash came."

WANT NEW HILTON GUARDIAN.

Children of Albert B. Seek Removal of Nathaniel S. Smith.

Col. Franklin Bartlett, as counsel for Albert B. Hilton and his wife, asked Surrogate Fitzgerald yesterday to remove Nathaniel S. Smith as guardian of the three Hilton children, Albert, Vincent and Helen, on the ground that Mr. Smith is not a suitable person and because the relations between the Hiltons and Mr. Smith are not harmonious.

Albert B. Hilton inherited a large share of the $6,000,000 estate of his father, Henry Hilton, and his children also came in for legacies under the will. Mr. Smith was appointed guardian of the estates of the children several years ago when their parents were about to leave for Europe. Col. Bartlett told the Surrogate that it had recently developed that Mr. Smith had invested part of the children's funds in a mortgage loan to Mrs. Smith, his wife, on some property she owns in Greenwich, Conn. The Hiltons objected to such an investment, as it is out of the Court's jurisdiction; and the money has since been deposited in this State; but other differences have arisen, and it is averred that Mr. Smith is hostile to the interests of the Hiltons.

Counsel for Mr. Smith in his reply declared that the guardian was devoted to the children's interests and should not be removed. All his investments, it was said, were approved by a surety company which bonded him. Mr. Smith is a brother-in-law of Mrs. Hilton, and he attributes all the differences between them to litigation over Henry Hilton's estate. He says that he had no desire to continue acting as guardian and intended to resign, but would not get out under pressure when he was innocent of wrongdoing. Surrogate Fitzgerald reserved decision on the application.

IRELAND BUILDING CRASH.

Builder Parker, Sued for $600,000 Damages, Goes Through Bankruptcy.

Judge Thomas of the United States District Court has granted a discharge from bankruptcy to John H. Parker, builder, of 225 Fourth avenue, who was the mason-builder of the Ireland building at West Broadway and Third street when it collapsed on Aug. 5, 1895, and fifteen lives were lost. Parker filed a petition in bankruptcy on May 8, 1902, to get rid of claims against him for deaths and injuries. His total liabilities were $792,689, of which $600,000 were claims for damages and $85,000 was a claim of John B. Ireland, who objected to the discharge. The discharge hinged on a transfer of an accident insurance policy in 1897, five years prior to the petition in bankruptcy, to Mr. Parker's father-in-law, who realized $7,000 on it. The Judge holds that as there was no evidence to show that the transfer was for the benefit of the bankrupt he is entitled to a discharge.

Shipyard Petition Hearing in Portland, Me.

PORTLAND, Me., July 21.—A hearing on the petition of stockholders for the appointment of former United States Senator James Smith, Jr., as ancillary receiver of the United States Shipbuilding Company was held before Judge Putnam in the United States Circuit Court here to-day. Judge Putnam said informally that the petitioners had shown prima facie evidence that some sort of receiver was needed.

St. Vincent de Paul Society Incorporated.

The Society of St. Vincent de Paul of Brooklyn has filed articles of incorporation with the Secretary of State at Albany. Mgr. Patrick J. McNamara, the vicar-general of the diocese, heads the list of directors.